

Thomas-Jensen Affirmation

Exhibit # 30

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND**

STATE OF NEW YORK, *et al.*,

Plaintiffs,

v.

DONALD TRUMP, *et al.*,

Defendants.

Civil Action No. 1:25-cv-00039-JJM-PAS
Judge John J. McConnell, Jr.

DECLARATION OF KATRINA S. HAGEN

I, Katrina S. Hagen, declare as follows:

1. I am a resident of the State of California. I am over the age of 18 and have personal knowledge of all the facts stated herein, except to those matters stated upon information and belief; as to those matters, I believe them to be true. If called as a witness, I could and would testify competently to the matters set forth below.

2. I currently serve as the Director of the California Department of Industrial Relations (DIR).

3. DIR's mission is to foster, promote, and develop the welfare of the wage earners of California, to improve their working conditions, and to advance their opportunities for profitable employment. In furtherance of that mission, DIR administers and enforces laws governing wages, hours and breaks, overtime, retaliation, workplace safety and health, apprenticeship training programs, and medical care and other workers' compensation benefits for injured workers. DIR also publishes materials and holds workshops and seminars to promote healthy employment relations, conducts research to improve its programs, collects statistics and data on workplace-related issues, and coordinates with other agencies to target egregious violators of labor laws and tax laws in the underground economy.

4. DIR is the program administrator for itself and its divisions and constituent boards, including the Division of Occupational Safety and Health (DOSH), the Occupational Safety and Health Standards Board (OSHSB), the Occupational Safety and Health Appeals Board (OSHAB), the Occupational Injury and Illness Statistics Section (OII) of the Office of the Director – Research Unit, the Division of Labor Standards Enforcement (DLSE), and the Division of Apprenticeship Standards (DAS), all of which are instrumentalities of California

State government. In particular, DIR administers the California State Plan (Cal/OSHA), which is approved by the Federal Occupational Safety and Health Administration (OSHA). Cal/OSHA includes DOSH, OSHSB, and OSHAB. Upon information and belief, as program administrator, DIR is responsible for accessing the Federal grant funding for these divisions and boards and making the funding available for expenditure.

5. As DIR's Director, I have knowledge of Federal financial assistance that DIR and its divisions receive in the form of grants.

6. Upon information and belief, DIR, its divisions and boards currently have \$45,523,500 in open grants from the Federal government. These grants support the following programs or activities: OSHA-approved California State Plan (Cal/OSHA), the California Census of Fatal Occupational Injuries (CFOI), the California Survey of Occupational Injuries and Illnesses (SOII), and a State apprenticeship program grant, among other critical programs.

7. Upon information and belief, the Memorandum for Heads of Executive Departments and Agencies, M-25-13, dated January 27, 2025, issued by the Executive Office of the President of the United States, Office of Management and Budget, Matthew J. Vaeth, Acting Director, regarding "Temporary Pause of Agency Grant, Loan, and Other Financial Assistance Programs" ("OMB Memo") ordered Federal grant funding agencies to "pause" all activities related to disbursement of all Federal financial assistance, which I understood would include Federal grant disbursements to DIR and its divisions and boards, including for the programs and services discussed above.

8. As a result of the OMB Memo, DIR was temporarily unable to access Federal grant funding. DIR's attempt to login to the federal system to access these Federal funds were

unsuccessful, until the OMB Memo was rescinded. This situation created confusion and uncertainty for DIR and its divisions and boards about whether and when Federal grant disbursements would be made, including how long the grant funding would be “paused.”

9. Although the OMB Memo was reportedly rescinded, there remains uncertainty and confusion at DIR regarding the access and use of the Federal funds I have described, including because, to DIR’s knowledge, there is no guarantee that the government will not begin pausing funding disbursements again, and because DIR’s understanding is that its grant funding may be under review by the federal government for potential longer-term action, which is the circumstance that led to the funding pause DIR already experienced, as DIR understands the matter.

10. The Occupational Injury and Illness Statistics Section (OII) of the Office of the Director – Research Unit is responsible for collecting, compiling and disseminating information pertaining to work-related injuries and illnesses in the State of California.

a. The OII conducts an annual survey with the U.S. Department of Labor’s (DOL) Bureau of Labor Statistics (BLS) under a federal-state cooperative agreement—50% federal funds (FFY 2025 \$587,000) and 50% state funds, although in most years the actual split varies. The annual Survey of Occupational Injuries and Illnesses (SOII) involves data collection on occupational injuries and illnesses from thousands of California employers. The survey information is of value to the workplace safety community in allocating prevention resources among several hundred industries, across which workers' risks of injury and illness vary widely. Employers, employees, policymakers, insurance carriers involved in workers’ compensation, manufacturers of safety equipment, industrial hygienists, safety inspectors, safety standards writers,

researchers, health and safety consultants, and others concerned with job safety and health benefit from the publication of accurate, complete, and reliable survey data.

b. The federal authority for the SOII comes from the federal Occupational Safety and Health Act of 1970. Since approximately 1972, BLS has conducted the SOII in cooperation with many states, including California. Participation in the federal-state cooperative survey is required of every state that has a state enforcement program (CAL/OSHA here), and the survey must be conducted under the method and means prescribed by the U.S. Secretary of Labor. In addition, California Labor Code section 156 states that “an annual report containing statistics on California work injuries and occupational diseases and fatalities by industry classifications shall be completed and published by the department no later than December 31 of the following calendar year.” Every fall, BLS publishes national injury and illness statistics, and each participating state publishes its own state-specific injury and illness statistics from the survey. Participation in the SOII allows DIR to fulfill both its California statutory obligations as well as its contractual obligations with the U.S. DOL.

c. Under the cooperative agreement, money is drawn by the DIR Budget office through the Health and Human Services (HHS) Payment Management System (PMS). As a result of the OMB Memo, DIR did not have access to the HHS PMS for a brief period of time. This pause caused a period of confusion and uncertainty regarding how the work of the OII under the cooperative agreement would be conducted. DIR continues to have concerns that its ability to collect and publish current data on occupational illnesses, injuries and fatalities, which are of importance to the improvement

of worker safety, will be adversely affected by any arbitrary restrictions that would limit access to the federal funds awarded in the cooperative agreement.

d. California Labor Code section 156 requires an annual report containing statistics on California work injuries and occupational diseases and fatalities by industry classifications shall be completed and published by DIR no later than December 31 of the following calendar year. All reports and statistics are to be available to the public. For decades, DIR has partnered with BLS to carry out the work injury and illness statistics program. It allows both the federal and state governments to comply with their mandates. If the federal funding is removed, then DIR would not have a mechanism with which to comply with the aforementioned section 156 mandate.

e. Based on the BLS' SOII Handbook of Methods, the occupational injury and illness statistics are used by "both labor and management use SOII estimates in evaluating safety programs. Other users include insurance carriers involved in workers' compensation, industrial hygienists, manufacturers of safety equipment, researchers, and others concerned with job safety and health." Individual workers and all of those organizations could be negatively impacted if DIR were to stop publishing work injury and illness statistics for the state of California.

11. Cal/OSHA is one of DIR's divisions that would be heavily affected by the freezing or potential elimination of funding, as it receives the greatest amount of federal funding within DIR, and therefore faces continuing uncertainty with respect to grants and funding thereof. Cal/OSHA currently participates in three federal grant programs.

a. Census of Fatal Occupational Illness and Injuries (FFY 2005 \$182,600), in which three positions are partially supported by Federal funds. Disruption in federal

funding access through the Executive Orders affects the program's ability to report on the number and causes of workplace fatalities to be shared with public health providers.

b. 21(d) On-Site Consultation, receiving 90% federal funding (\$5,494,200) and 10% minimum matching funding by California, in which 65 positions are affected. Disruption in federal funding access through the Executive Orders affects the program's ability to:

- i. Identify and promote occupational safety and health services to primarily small, high hazard employers;
- ii. Educate employers and employees about the benefits of effective occupational safety and health programs; and
- iii. Encourage employers and employees to implement and maintain good safety and health practices. The primary mechanism to achieve these objectives is through the provision of one-on-one, on-site consultative visits to employers who are unlikely to have access to professional occupational safety and health resources.

c. 23(g) State Plan, receiving 50% federal (FFY 2025 \$29,259,800) and 50% minimum state matching funds, in which 403 positions are affected. Disruption in federal funding access through the Executive Orders affects the program ability to respond to complaints of imminent danger, death, injury or illness to employees on a work site.

12. The Division of Apprenticeship Standards (DAS) receives federal grant money for a \$10,000,000 State apprenticeship program grant for federal fiscal year 2025.

a. In July 2021, the U.S. DOL awarded DAS with a grant to create apprenticeship pathways within the local workforce ecosystem. DAS solicited proposals from Workforce Development Boards and Apprenticeship Program Sponsors to develop new apprenticeship programs and/or expand existing apprenticeship programs. In May 2022, DAS selected six grant awardees to receive this grant funding. The grant focuses on creating registered apprenticeship programs for California residents.

b. Of the \$10,000,000 federal grant, \$1,147,048.12 has been expended and \$4,650,164.10 is encumbered by contracts with sub-grantees, leaving a balance of \$4,202,787.78. DIR is obligated by contract to cover the encumbered amount of \$4,650,164.10 if there is a cancellation of the grant. DIR and sub-grantees face significant uncertainty and confusion regarding the availability of the funds and viability of the programs that rely upon such funds.

13. If disbursements of the federal financial assistance I have described above are indefinitely paused, or paused for any extended periods of time, the state government entities discussed above would be unable to provide or timely provide critical services for California workers and employers, including, but not limited to, numerous services to increase workplace health and safety, and apprenticeship programs to help California workers acquire job skills and gainful employment.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on February 5, 2025, at Sacramento, California.



Katrina S. Hagen, Director